

Articles

New York is the Latest State to Adopt Paid Family Leave Law

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On Monday, April 4, 2016, New York Governor Andrew Cuomo signed the nation's most comprehensive paid family leave law. New York employees will be eligible for 12 weeks of partially paid leave to care for a new child (including foster or adopted children), a family member with a serious health condition, or to alleviate the pressures faced when a family member is called to active military service. These provisions were included in New York's recent budget deal, which also enacted a minimum wage increase to \$15 per hour.

Provisions Under the Law

Benefits under the family leave law will be phased in over time. Beginning January 1, 2018, New York employees will be eligible for up to eight (8) weeks of leave at 50 percent of their weekly wage, capped at 50 percent of the statewide average weekly wage. The statewide average weekly wage is approximately \$630. When the law is fully implemented in January 2021, employees will be eligible for up to 12 weeks of leave at 67 percent of their weekly wage, capped at 67 percent of the statewide average weekly wage.

Employees, both part-time and full-time, will be eligible for leave after working for their employers for at least six months. Rather than utilizing an employer-funded model, the program will be funded by a small, weekly payroll deduction of 70 cents (gradually increasing to \$1.40) per employee.

Potential National Impact

New York is now the fifth state to pass legislation that guarantees partially paid family leave for employees in the private sector. Employees in California and New Jersey are eligible for six (6) weeks of paid family leave, while those in Rhode Island are eligible for four (4) weeks. Although Washington state passed a paid family leave law in 2007, the law has not yet been implemented.

Similar legislation could be introduced around the country (at the state and/or local level). For example, San Francisco recently approved legislation requiring private employers to provide new parents with six (6) weeks of *fully* paid leave. Massachusetts and Connecticut are currently considering legislation similar to the New York law. Washington, D.C. is contemplating expanding its paid family leave provision to 16 weeks. And, in the fall of 2015, the U.S. Department of Labor awarded \$1.55 million in grants to several state agencies to research and analyze how paid leave programs can be developed and implemented across the country. At an increasing rate, tech companies and other private employers, such as Spotify, Netflix, and the Bill & Melinda Gates Foundation, have dramatically expanded their parental leave policies.

This is a quickly developing area and employers should be monitoring these developments closely.

If you have any questions regarding this alert or how it may impact your company, please contact your Andrews Kurth labor and employment section attorney.